

**Sandy  
Kravetz**

**Emails**

On Aug 3, 2019, at 5:49 PM, Jann-Michael Greenburg <[jmgreenburg@susd.org](mailto:jmgreenburg@susd.org)> wrote:

John,

I would like to propose that we place a discussion about waiving attorney-client privilege for any discussions concerning the subject of my July 26, 2019 request for information on a future agenda.

Thanks,

**Jann-Michael Greenburg**  
Member | SU5D Governing Board  
Scottsdale Unified School District  
8500 E Jackrabbit Road, Scottsdale, AZ 85250

**From:** Allyson Beckham <[abeckham@susd.org](mailto:abeckham@susd.org)>  
**Sent:** Wednesday, February 6, 2019 8:37 AM  
**To:** John Kriekard <[jkriekard@susd.org](mailto:jkriekard@susd.org)>  
**Cc:** Michelle Marshall <[mmarshall@susd.org](mailto:mmarshall@susd.org)>; Sandy Kravetz <[skravetz@susd.org](mailto:skravetz@susd.org)>  
**Subject:** Self-Insurance Trust recommendation

Dear Dr. Kriekard,

I am very interested in learning more about Mr. Gadd's recommendation for a change in the oversight of the Self-Insurance Trust. I have read the by-laws and meeting minutes from May 2018 provided by Michelle Marshall and the memo written by Mr. Gadd. A week ago Wednesday, I requested the audited financial statements and expenditure reports for the last several years and the name of the current committee chair and background on two of the committee members I was unfamiliar with. I am still waiting on this information. (See my email for more details) I would like to add to my request the meeting minutes from last week's meeting.

Please let me know when we can meet to discuss Mr. Gadd's recommendation.

I would like to also receive clarification on why the medical or healthcare discussion is lumped into the Self-Insurance Trust discussion when according to the by-laws of the above Self-Insurance Trust doesn't include the medical insurance. As long as I have been on the Board decisions regarding the healthcare (medical) self-insurance program has been separate. For some background I have provided my experience:

On April 20, 2017 the GB approved a change in Employee Health Insurance Vender from Valley Schools Employee Benefits Trust and United Healthcare to Kairos Health Arizona Inc. with Blue Cross Blue Shield as provider and Aston Tiffany as the administer.

On April 3, 2018 the GB approved increased healthcare benefits and a 6% rate increase to be primarily paid by SUSD not the employee for employee health insurance. The district's healthcare is one of the most beneficial and cost effective from an employee perspective I have seen.

I look forward to the discussion on healthcare and request that it be kept separate from the other Insurance Trust as it administered and managed separately. If I have been misinformed please let me know.

Since, the healthcare insurance has been brought up I would like to request an update on the financial performance of the Investment account and Trust, especially since the GB is entering its third review of next year's budget. It is my understanding the district receives an annual and monthly statements from Aston Tiffany on the district's healthcare performance. Last year, I requested a copy of the annual and current monthly report and to my knowledge these reports haven't been provided.

I look forward to learning more about the recommendation.

Thank you,

Allyson Beckham

Begin forwarded message:

**From:** Allyson Beckham <[abeckham@susd.org](mailto:abeckham@susd.org)>  
**Subject:** Fw: The Trust  
**Date:** June 5, 2019 at 9:35:40 AM MST  
**To:** Sandy Kravetz <[skravetz@susd.org](mailto:skravetz@susd.org)>

I just realized you weren't on this email. I left Dr. Kriekard a voice message a few minutes ago. I do not feel Mr. Gadd has answered my questions below. I asked Dr. Kriekard to help with the communication between myself and Mr. Gadd.

The easiest one to explain is the request for all the bank, investment statements. We have only received a thumb drive with one account statement up till 12/2018. If and when you get any other statements please let me know.

Allyson

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**From:** John Kriekard  
**Sent:** Thursday, May 30, 2019 5:24 PM  
**To:** Allyson Beckham  
**Subject:** FW: The Trust

Allyson,

I received this from Jeff on May 13. Did I not send it on to you? If I didn't I apologize. Let me know if these answers are not sufficient.

John



Scottsdale Unified

Engage. Educate and Empower

Every Student. Every Day.

**Dr. John Kriekard**  
**Superintendent**  
**Scottsdale Unified School District**  
**Mohave District Annex**  
8500 E. Jackrabbit Rd., Scottsdale, AZ 85250  
Office 480.484.6120  
Cell 602.717.4712



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**From:** Jeffrey Gadd <[jgadd@susd.org](mailto:jgadd@susd.org)>  
**Sent:** Monday, May 13, 2019 4:24 PM  
**To:** John Kriekard <[jkriekard@susd.org](mailto:jkriekard@susd.org)>  
**Subject:** RE: The Trust

*John,*

*Enclosed are the answers to Allyson's questions. - We need Trust action to approve next year insurance coverage. Please see the answers below in red.*

**From:** Allyson Beckham <[abeckham@susd.org](mailto:abeckham@susd.org)>  
**Sent:** Monday, May 13, 2019 9:05 AM  
**To:** John Kriekard <[jkriekard@susd.org](mailto:jkriekard@susd.org)>  
**Cc:** Michelle Marshall <[mmarshall@susd.org](mailto:mmarshall@susd.org)>; Sandy Kravetz <[skravetz@susd.org](mailto:skravetz@susd.org)>  
**Subject:** The Trust

Dear Dr. Kriekard,

Thank you for providing time to meet before the GB meeting on Tuesday regarding the Self-Insurance Trust. I was hoping to meet on Friday or Monday before the Agenda notice was posted to the public.

I request the the Self-Insurance Trust be pulled for further discussion and clarification and not be posted to the Agenda as an Action item at this time.

Sandy Kravetz, who is a Trustee on the Self-Insurance Board, and I have been asking questions since February and had a meeting with Jeff Gadd two weeks ago on May 1. During the meeting we learned how much information and data was incomplete from Trust meeting minutes to financial statements. I strongly suggested that all GB members should be aware of this information before Action is taken in a board meeting. Mr. Gadd said that was your decision and I needed to talk with you. Since, you were unavailable the last several weeks this is the first time I will be able to talk with you. I am assuming Mr. Gadd has discussed my concerns and issues.

We provided the minutes from the Trustee Meeting from 2016 and 2017 on Friday May 10<sup>th</sup>.

Below is an example of what I have been requesting and would like to have before the district moves forward with revising the Trust. I believe all the GB members would be interested in this information before making a decision. I know Sandy Kravetz has had a difficult time getting information she has requested, some of which is included in this list.

1. Complete and accurate financial statements of the existing Trust. FY17 audited Financial Statements have been provided FY 18 audit is underway.
2. Complete and accurate understanding of the investment accounts including accurate return on the investments the past five years. (A summary was shared with Sandy and I on May 1 by the Wells Fargo advisor. Additional information was requested and should be shared with other board members.) Tom from Wells Fargo provided a wealth of information when we met on May 1<sup>st</sup> with Allyson and Sandy.
3. An actuarial account on the dollar amount that should be held in the Trust for the three different insurance programs to adequately cover costs and potential liability. (Mr. Gadd has provided some of this information.) We prorated account balances according to annual premium obligations. In other words, we matched revenue to need. We provided this information on several occasions.

4. An accurate account of the funds available from these three programs that aren't needed for expenses and potential liability and could be used for students services and programs that can be spent right now or that could be used for one-time operating expenses? (Mr. Gadd summary provides a number yet, the discussion has not taken place as to the best use of these dollars. )A 5 year projection was provided at the Board meeting on April 16<sup>th</sup>.

5. A complete understanding of the medical self-insurance program and business arrangement with Kairos and Ashton Tiffany, including available reports generated by Ashton Tiffany. (A broad explanation has been given but the data and reports have not been shared.) Allyson received an email explaining that Ashton Tiffany is a contractor hired by Kairos Trust to administer the medical program. We have attached the most recent report on medical from Aston Tiffany.

Regarding the actual Trust document: I believe the document itself is near completion pending the above information which might or might not change components of the document.

Thank you,

Allyson Beckham

**KAIROS**  
HEALTH ARIZONA, INC.  
*In cooperation with the Trust*

*kairos -/kai-räs/ noun, a propitious moment for decision or action.*

March 31, 2019

Mr. Jeffrey Gadd  
Scottsdale Unified School District  
7575 E. Main St.  
Scottsdale, AZ 85251

Re: Kairos Investment Pool Statement

Enclosed you will find your Kairos Investment Pool statement for the period of March 1, 2019 to March 31, 2019. The Net Return for the month was 0.12% and the Compounded Annual Rate of Return was 1.59%.

Please do not hesitate to call if you have any questions at the number listed below.

Sincerely,

Jeremy Larson  
Sr. Accountant

Main 602.257.9119  
Tel 602.845.6115

**KAIROS**  
HEALTH ARIZONA, INC.  
In cooperation with the Trust

Statement of Account  
SCOTTSDALE UNIFIED SCHOOL DISTRICT  
KAIROS HEALTH ARIZONA

SCOTTSDALE UNIFIED SCHOOL DISTRICT

From 3/01/19 to 3/31/19

INVESTMENT FUND SUMMARY

	KAIROS INVESTMENT POOL SHORT	KAIROS INVESTMENT POOL INTERMEDIATE	TOTAL
Beginning Value	\$ 6,910,365.76	\$ -	\$ 6,910,365.76
Deposits	2,645,638.50	\$ -	\$ 2,645,638.50
Bank Fees	(61.07)	\$ -	\$ (61.07)
Investment Mgmt Fees	(1,834.22)	\$ -	\$ (1,834.22)
Interest and Dividends	869.58	\$ -	\$ 869.58
Realized Gain/Loss	-	\$ -	\$ -
Unrealized Gain/Loss	12,774.37	\$ -	\$ 12,774.37
Transfers	-	\$ -	\$ -
Withdrawals	-	\$ -	\$ -
<b>Ending Value:</b>	<b>\$ 9,567,752.92</b>	<b>\$ -</b>	<b>\$ 9,567,752.92</b>
Net Earnings	\$ 11,748.66	\$ -	\$ 11,748.66
Earnings Percentage	0.12%	0.00%	0.12%

Cash Equivalents are recorded at cost on the KAIROS Financial Statements

Not a negotiable instrument

# FINANCIAL REPORT

KAIROS HEALTH ARIZONA, INC.  
Scottsdale Unified School District

March 31, 2019

**KAIROS**  
HEALTH ARIZONA, INC.

[KAIROSHEALTHAZ.ORG](http://KAIROSHEALTHAZ.ORG)

**KAIROS HEALTH ARIZONA, INC.**  
**SCOTTSDALE UNIFIED SCHOOL DISTRICT**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN SELF-FUNDED ACCOUNT**  
**FOR THE ONE MONTH ENDED MARCH 31, 2019 AND**  
**NINE MONTHS ENDED MARCH 31, 2019 AND 2018**

	Current Month	Current Year-to-Date	Current Budget Year-to-Date	Prior Year Year-to-Date
<b>OPERATING REVENUES</b>				
Primary Programs	\$ 1,230,399	\$ 11,022,963	\$ 11,217,790	\$ 10,218,731
Ancillary Programs	78,701	689,929	687,582	560,651
Total Gross Contributions <sup>3</sup>	<u>1,309,100</u>	<u>11,712,892</u>	<u>11,905,372</u>	<u>10,779,382</u>
Less Cost of Primary and Excess Insurance Relating to:				
Medical/Rx Stop Loss	50,607	449,144	450,622	372,115
Basic Life, AD&D	7,624	66,934	66,357	68,909
Fully-insured Dental	4,027	37,909	37,836	36,583
Short-Term Disability	17,194	154,118	152,028	108,830
Vision	12,224	109,496	109,152	126,534
Supplemental Life & AD&D	16,038	150,094	179,289	151,462
Worksite Benefits	17,699	138,877	107,478	42,002
Prepaid Legal Services	1,898	16,950	16,875	13,052
Pet Insurance	2,203	18,874	18,567	17,095
Employee Assistance Programs	2,127	18,874	18,937	19,502
Total Cost of Primary and Excess Insurance	<u>131,641</u>	<u>1,161,270</u>	<u>1,157,141</u>	<u>956,084</u>
<b>NET OPERATING REVENUES EARNED</b>	<u>1,177,459</u>	<u>10,551,622</u>	<u>10,748,231</u>	<u>9,823,298</u>
<b>OPERATING EXPENSES</b>				
Medical/Rx Loss Expense Paid & Incurred	780,027	8,477,482	9,149,868	7,935,316
Dental Loss Expense Paid & Incurred	55,841	659,302	672,048	551,727
IBNR Adjustment <sup>1</sup>	67,917	611,250	-	1,419,853
Stop Loss Recovered	(24,670)	(457,058)	-	(609,743)
Claims Service Fees	40,496	335,664	368,514	434,805
Net Loss Expense	919,611	9,626,640	10,190,430	9,731,958
Administration Fee	14,115	125,273	125,685	99,311
<b>TOTAL OPERATING EXPENSES</b>	<u>933,726</u>	<u>9,751,913</u>	<u>10,316,115</u>	<u>9,831,269</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENSES FROM OPERATIONS</b>	<u>243,733</u>	<u>799,709</u>	<u>432,116</u>	<u>(7,971)</u>
<b>NON-OPERATING REVENUES <sup>2</sup></b>				
Investment Income	870	78,321	-	52,474
Unrealized Gain (Loss)	12,774	20,379	-	(13,178)
Realized Gain (Loss)	-	-	-	2,644
Less: Investment Expenses	(1,895)	(12,581)	-	(11,858)
<b>NET NON-OPERATING REVENUES</b>	<u>11,749</u>	<u>86,119</u>	<u>-</u>	<u>30,082</u>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<u>255,482</u>	<u>885,828</u>	<u>\$ 432,116</u>	<u>\$ 22,111</u>
<b>SELF-FUNDED ACCOUNT, BEGINNING OF PERIOD</b>	<u>3,296,799</u>	<u>3,804,827</u>		
Self-Funded Contributions Earned	2,645,639	11,905,373		
Self-Funded Contributions <sup>3</sup>	(1,308,655)	(11,706,763)		
Increase in Net Position	255,482	885,828		
<b>SELF-FUNDED ACCOUNT, END OF PERIOD</b>	<u>\$ 4,889,265</u>	<u>\$ 4,889,265</u>		
<i>Minimum Required Self-Funded Account</i>	<u>\$ 3,968,000</u>	<u>\$ 3,968,000</u>		

<sup>1</sup>IBNR Adjustment is included as part of the Medical/Rx and Dental Loss Expense Paid & Incurred in the Kairos budget. The increase in IBNR for fiscal year 2018/2019 was estimated by the Kairos actuary to be \$815,000. This increase is being expensed ratably over the year. The remaining amount to be expensed for the current fiscal year is \$203,750. At June 30, 2019, an updated actuary report will be obtained. IBNR will be adjusted based on the results of the new study.

<sup>2</sup> Kairos does not record KIP investment income on the Kairos Profit & Loss Statement. As a result, Kairos does not budget for Self-funded investment income.

<sup>3</sup> Difference from Gross Contributions and Earned Self-Funded Contributions is due to a monthly 2% Cobra Credit received from Basic.



Karros Health Arizona, Inc.  
General Ledger  
As of March 31, 2012

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Kairos Health Arizona, Inc.  
General Ledger  
as of March 31, 2013

Kairos Health Arizona, Inc.  
General Ledger  
as of March 31, 2013

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Date	Invoice #
3/31/2019	21

Bill To
Scottsdale USD No. 48 7575 E. Main St. Scottsdale, AZ 85251

Plan Description	Census	Plan Rate	Premium
PPO Employee Only	468	620.83	290,548.44
PPO Employee + Spouse/Domestic Partner	36	1,125.00	40,500.00
PPO Employee + Child(ren)	51	1,066.67	54,400.17
PPO Employee + Family	22	1,666.67	36,666.74
HDHP \$1,500 Employee Only	503	535.43738	269,325.00
HDHP \$1,500 Employee + Spouse/Domestic Partner	22	1,000.00	22,000.00
HDHP \$1,500 Employee + Child(ren)	36	950.00	34,200.00
HDHP \$1,500 Employee + Family	10	1,533.00	15,330.00
HDHP \$2,700 Employee Only	531	441.65725	234,520.00
HDHP \$2,700 Employee + Spouse/Domestic Partner	49	816.67	40,016.83
HDHP \$2,700 Employee + Child(ren)	43	775.00	33,325.00
HDHP \$2,700 Employee + Family	51	1,241.67	63,325.17
Core Dental Employee Only	564	28.00	15,792.00
Core Dental Employee + Spouse/Domestic Partner	68	53.00	3,604.00
Core Dental Employee + Child(ren)	68	59.00	4,012.00
Core Dental Employee + Family	68	101.00	6,868.00
Premier Dental Employee Only	357	48.00	17,136.00
Premier Dental Employee + Spouse/Domestic Partner	95	94.00	8,930.00
Premier Dental Employee + Child(ren)	66	107.00	7,062.00
Premier Dental Employee + Family	52	195.00	10,140.00
Voluntary Vision Employee Only	838	7.58	6,352.04
Voluntary Vision Employee + Spouse/Domestic Partner	123	15.16	1,864.68
Voluntary Vision Employee + Child(ren)	105	16.22	1,703.10
Voluntary Vision Employee + Family	81	25.92	2,099.52
Voluntary Short Term Disability	487	35.30575	17,193.90

Balance Due will be extracted from your Self-Funded account balance. If you have any questions, please do not hesitate to call Jeremy Larson at (602-845-6115) or email us at [accountingKAIROS@kairoshealthaz.org](mailto:accountingKAIROS@kairoshealthaz.org).

**Current Month Premium**

**Payments/Credits**

**Balance Due**

Date	Invoice #
3/31/2019	21

Bill To
Scottsdale USD No. 48 7575 E. Main St. Scottsdale, AZ 85251

Plan Description	Census	Plan Rate	Premium
Accidental Insurance Employee Only	183	12.48	2,283.84
Accidental Insurance Employee + Spouse/Domestic Partner	28	25.34	709.52
Accidental Insurance Employee + Child(ren)	41	25.81	1,058.21
Accidental Insurance Employee + Family	66	32.31	2,132.46
 Critical Illness	 549	 10.71297	 5,881.42
Hospital Indemnity Employee Only	166	14.60	2,423.60
Hospital Indemnity Employee + Spouse/Domestic Partner	26	26.96	700.96
Hospital Indemnity Employee + Child(ren)	30	22.76	682.80
Hospital Indemnity Employee + Family	52	35.12	1,826.24
 Supplemental Life & AD&D Insurance	 567	 21.21326	 12,027.92
Spouse Supplemental Life & AD&D Insurance	137	29.20788	4,001.48
Child Supplemental Life & AD&D Insurance	114	0.07667	8.74
 Basic Life for Employees	 2,120	 2.76564	 5,863.15
Basic Life for Retirees	15	2.80933	42.14
Basic Life for Superintendent and Administration	145	11.84986	1,718.23
 Prepaid Legal Services Low Plan	 85	 7.50	 637.50
Prepaid Legal Services High Plan	84	15.00	1,260.00
 Fully Insured Dental	 281	 14.33096	 4,027.00
 Pet Insurance (1 Pet)	 102	 10.60	 1,081.20
Pet Insurance (2 Pet)	36	20.20	727.20
Pet Insurance (3 Pet)	12	29.60	355.20
Pet Insurance (4 Pet)	1	38.90	38.90
Pet Insurance (5 Pet)	0	48.29	0.00

Balance Due will be extracted from your Self-Funded account balance. If you have any questions, please do not hesitate to call Jeremy Larson at (602-845-6115) or email us at [accountingKAIROS@kairoshealthaz.org](mailto:accountingKAIROS@kairoshealthaz.org).

**Current Month Premium**

**Payments/Credits**

**Balance Due**

Date	Invoice #
3/31/2019	21

Bill To

Scottsdale USD No. 48  
7575 E. Main St.  
Scottsdale, AZ 85251

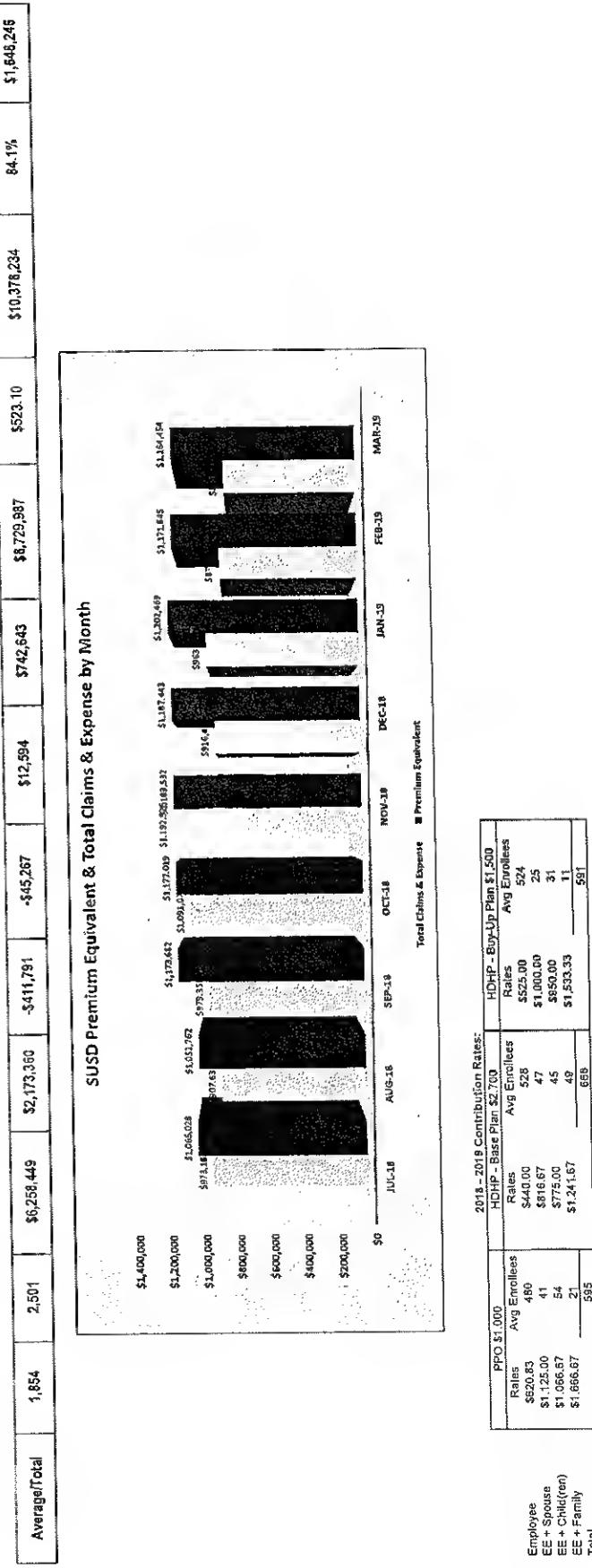
Plan Description	Census	Plan Rate	Premium
Represents Cobra premium charged to former employees collected by Chandler and recorded as contributions in Kairos for Chandler.	1	22,253.07	22,253.07

Balance Due will be extracted from your Self-Funded account balance. If you have any questions, please do not hesitate to call Jeremy Larson at (602-845-6115) or email us at [accountingKAIROS@kairoshealthaz.org](mailto:accountingKAIROS@kairoshealthaz.org) .

<b>Current Month Premium</b>	\$1,308,655.37
<b>Payments/Credits</b>	-\$1,308,655.37
<b>Balance Due</b>	\$0.00

SCOTTSDALE UNIFIED SCHOOL DISTRICT  
Paid Claims Report (July 2018 - March 2019)

Month	Employees	Members	Medical Claims	Pharmacy	Stop Loss Recovered 17-18	Stop Loss Recovered 18-19	Access Fee	Admin & Stop Loss Expense	Total Claims & Expense	Total Claims & Expenses PEPM	Premium Equivalent	Medical Expense Loss Ratio	Surplus / Loss
Jul-18	1,701	2,299	\$673,997	\$223,233	\$245	\$0	\$95	\$76,102	\$973,182	\$572,12	\$1,065,028	91.4%	\$91,846
Aug-18	1,698	2,291	\$720,389	\$213,712	-\$104,227	\$0	\$1,758	\$76,000	\$907,632	\$634,53	\$1,052,752	86.2%	\$145,130
Sep-18	1,890	2,554	\$709,732	\$214,714	-\$29,835	\$0	\$1,576	\$83,189	\$979,356	\$518,18	\$1,173,682	83.4%	\$194,336
Oct-18	1,895	2,553	\$746,751	\$251,900	\$5,385	\$0	\$2,171	\$84,871	\$1,091,078	\$575,77	\$1,177,019	92.7%	\$85,941
Nov-18	1,903	2,574	\$1,079,453	\$272,247	-\$246,549	\$0	\$3,139	\$84,655	\$1,192,925	\$626,87	\$1,183,532	100.8%	-\$9,392
Dec-18	1,907	2,585	\$557,867	\$271,130	\$0	\$0	\$2,615	\$84,840	\$916,452	\$40,57	\$1,187,443	77.2%	\$270,991
Jan-19	1,923	2,588	\$550,348	\$253,746	-\$26,482	\$0	\$702	\$85,083	\$953,397	\$500,89	\$1,202,468	80.1%	\$239,072
Feb-19	1,890	2,540	\$560,380	\$257,439	-\$9,330	-\$21,083	\$139	\$84,129	\$871,675	\$461,20	\$1,171,845	74.4%	\$300,170
Mar-19	1,882	2,525	\$559,552	\$215,238	-\$488	-\$24,183	\$398	\$83,774	\$834,291	\$443,30	\$1,164,454	71.6%	\$350,163
Average Total	1,854	2,501	\$6,256,449	\$2,173,360	-\$411,791	-\$45,267	\$12,594	\$742,643	\$8,729,387	\$523,10	\$10,375,234	84.1%	\$1,646,246



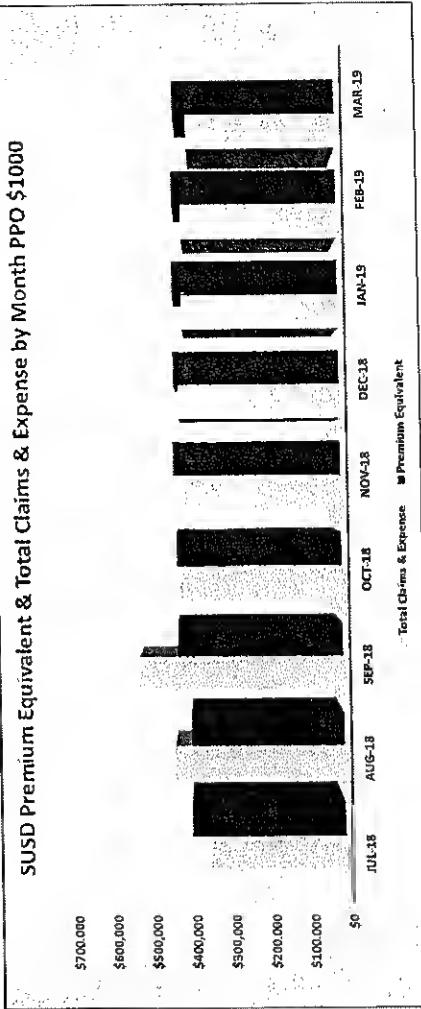
SCOTTSDALE UNIFIED SCHOOL DISTRICT  
Paid Claims Report (July 2018 - March 2019)  
PPO \$1,000 Plan

Month	Employees	Members	Medical Claims	Pharmacy	Access Fee	Admin & Stop Loss Expense	Total Claims & Expense	Total Claims & Expenses PEPN	Premium Equivalent	Medical Expenses Loss Ratio	*Surplus / Loss
Jul-18	560	769	\$231,210	\$106,685	\$31	\$25,054	\$362,981	\$648.18	\$411,778	88.1%	\$48,797
Aug-18	557	765	\$116,546	\$111,995	\$577	\$24,930	\$154,049	\$815.17	\$410,011	110.7%	-\$44,037
Sep-18	604	827	\$399,837	\$118,706	\$504	\$26,585	\$545,632	\$903.36	\$443,182	123.1%	-\$102,450
Oct-18	607	826	\$550,740	\$153,314	\$695	\$27,186	\$431,935	\$711.59	\$443,183	97.5%	\$11,248
Nov-18	612	832	\$432,145	\$164,555	\$1,009	\$27,225	\$624,934	\$1,021.13	\$449,465	139.0%	-\$175,469
Dec-18	607	825	\$246,411	\$157,294	\$832	\$27,005	\$431,542	\$710.94	\$445,411	96.9%	\$13,868
Jan-19	609	825	\$244,412	\$148,235	\$222	\$26,945	\$419,815	\$689.35	\$445,549	94.2%	\$25,734
Feb-19	605	819	\$336,828	\$154,601	\$45	\$26,930	\$418,405	\$691.58	\$441,961	94.7%	\$23,556
Mar-19	597	808	\$230,856	\$142,528	\$126	\$26,574	\$400,085	\$670.16	\$435,540	91.9%	\$35,456
Average Total											
	595	811	\$2,588,936	\$1,257,913	\$4,042	\$238,435	\$4,089,376	\$763.23	\$3,926,081	104.2%	-\$163,296

\*Surplus/Loss doesn't include Stop Loss for reworded members

Average Total	811	\$2,588,936	\$1,257,913	\$4,042	\$238,435	\$4,089,376	\$763.23	\$3,926,081	104.2%	-\$163,296

SUSD Premium Equivalent & Total Claims & Expense by Month PPO \$1,000



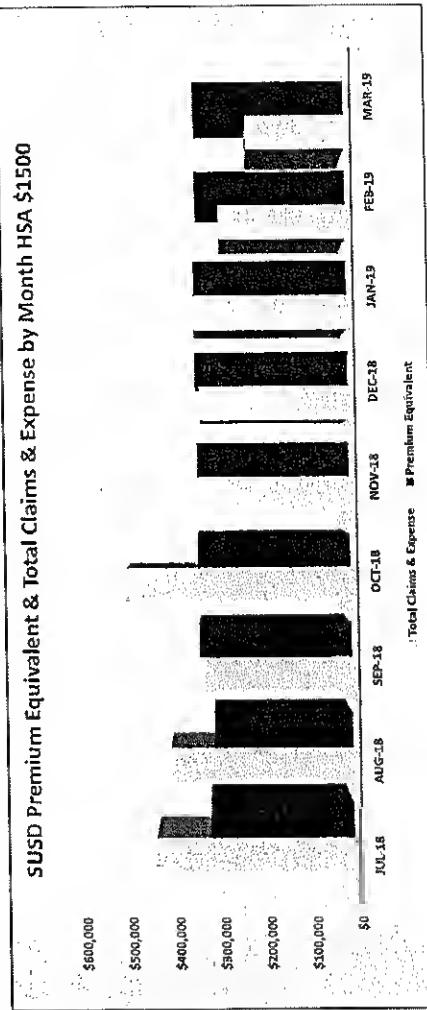
SCOTTSDALE UNIFIED SCHOOL DISTRICT  
Paid Claims Report (July 2018 - March 2019)  
HSA \$1,500 Plan

Month	Employees	Members	Medical Claims	Pharmacy	Access Fee	Admin & Stop Loss Expense	Total Claims & Expenses PEPM	Premium Equivalent	Medical Expense Loss Ratio	*Surplus / Loss
Jul-18	564	688	\$328,882	\$103,279	\$32	\$25,233	\$457,425	\$811.04	\$331,767	137.9%
Aug-18	561	685	\$311,330	\$85,919	\$3581	\$25,109	\$422,939	\$753.90	\$321,167	131.7%
Sep-18	602	736	\$231,684	\$83,004	\$502	\$26,497	\$341,688	\$567.59	\$352,933	96.8%
Oct-18	601	734	\$404,503	\$85,386	\$688	\$26,917	\$517,494	\$881.06	\$353,258	146.5%
Nov-18	600	733	\$453,485	\$84,708	\$990	\$26,691	\$565,874	\$943.12	\$352,200	160.7%
Dec-18	600	740	\$224,488	\$93,470	\$823	\$26,693	\$345,474	\$675.79	\$355,117	97.3%
Jan-19	600	739	\$237,918	\$92,548	\$219	\$26,547	\$357,231	\$595.39	\$354,692	100.7%
Feb-19	595	730	\$187,669	\$79,514	\$44	\$26,485	\$293,652	\$433.53	\$350,108	83.9%
Mar-19	596	730	\$151,076	\$50,078	\$126	\$26,530	\$227,809	\$382.23	\$350,158	65.1%
										\$122,349

\*Surplus/loss doesn't include stop loss recovered amounts

Average Total	591	724	\$2,530,975	\$757,905	\$4,004	\$236,703	\$3,529,587	\$663,58	\$3,121,400	113.1%	-\$488,187

\$1USD Premium Equivalent & Total Claims & Expense by Month HSA \$1500



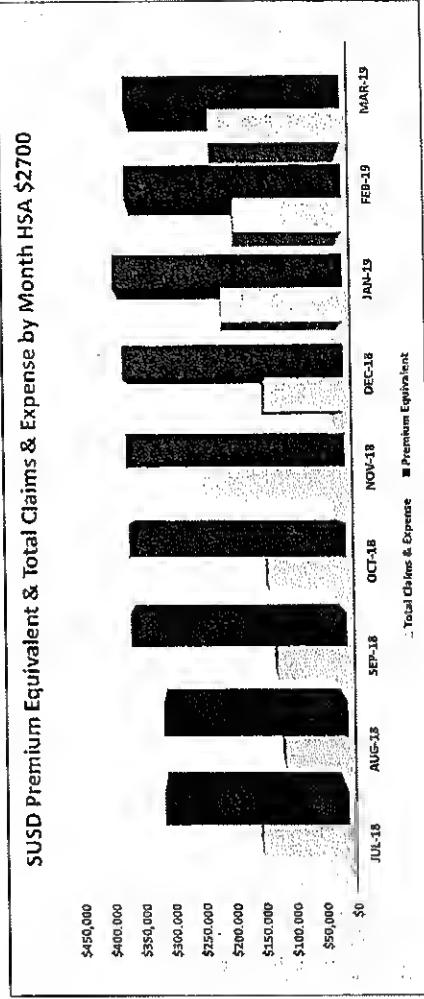
SCOTTSDALE UNIFIED SCHOOL DISTRICT  
Paid Claims Report (July 2018 - March 2019)  
HSA \$2,700 Plan

Month	Employees	Members	Medical Claims	Pharmacy	Access Fee	Admin & Stop Loss Expense	Total Claims & Expense	Total Claims & Expenses PEP/M	Premium Equivalent	Medical Expense Loss Ratio	*Surplus / Loss
Jul-18	577	842	\$111,488	\$12,780	\$32	\$25,815	\$150,115	\$260.16	\$321,484	46.7%	\$171,369
Aug-18	580	841	\$68,574	\$13,619	\$601	\$25,960	\$108,754	\$187.51	\$321,584	33.8%	\$212,830
Sep-18	684	991	\$77,108	\$12,700	\$570	\$30,107	\$120,484	\$176.15	\$377,557	31.9%	\$257,083
Oct-18	687	993	\$91,508	\$13,200	\$787	\$30,769	\$138,264	\$198.35	\$378,504	36.9%	\$242,240
Nov-18	691	1,002	\$183,782	\$22,777	\$1,140	\$30,739	\$248,438	\$359.53	\$381,887	65.1%	\$133,429
Dec-18	700	1,020	\$86,968	\$20,336	\$948	\$30,742	\$138,993	\$198.56	\$386,915	35.9%	\$247,922
Jan-19	714	1,024	\$168,018	\$12,964	\$261	\$31,591	\$212,633	\$298.09	\$402,229	52.9%	\$189,396
Feb-19	690	991	\$135,943	\$23,324	\$51	\$30,714	\$190,031	\$275.41	\$379,775	50.0%	\$189,744
Mar-19	689	987	\$177,621	\$22,632	\$146	\$30,670	\$231,068	\$335.37	\$378,755	61.0%	\$147,687

\*Surplus/loss doesn't include stop loss required amounts

Average/Total	668	966	\$1,111,009	\$154,332	\$4,535	\$267,105	\$1,536,981	\$255.65	\$3,328,880	46.2%	\$1,791,699

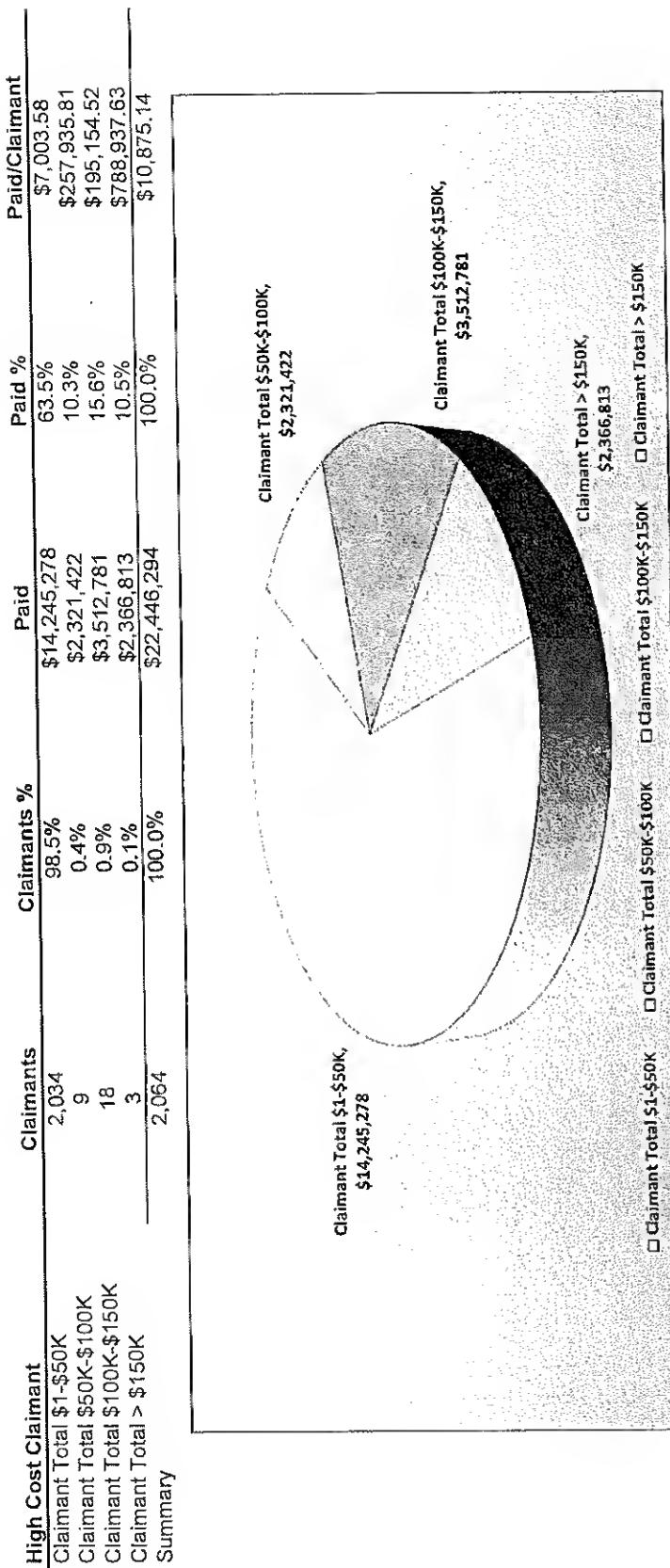
SLUSD Premium Equivalent & Total Claims & Expense by Month HSA \$2700



**Kairos Health AZ, Inc. - Scottsdale USD Claims Paid Through Month: March 2019**  
**Large Claims Threshold: \$50,000**  
**Current Policy Period - Claims Incurred 7/1/2018 - 8/30/2019**

Status	Term Date	Plan Name	Care Management	Diagnosis Description	Medical Claims	Rx Claims	Total Paid Amount
Active		PPO 1000	No Mbr Response	Malignant Neoplasm Of Upper-Outer Quadrant Of Right Female Breas	\$343,548	\$1,718	\$345,286
Termed Active	1/1/2019	HDHP Buy Up HDHP Buy Up	Goals Met/Issues Addressed Case Open	Liver Transplant Status Malignant Neoplasm Of Lower-Outer Quadrant Of Left Female Breast	\$155,096 \$228,590	\$116,395 \$3,250	\$271,401 \$231,841
Active		HDHP Base	No Mbr Response	Thrombosis Due To Cardiac Prosthetic Devices, Implants And Grafts, I	\$123,081	\$359	\$123,440
Active		HDHP Buy Up HDHP Buy Up PPO 1000	Declines To Consent To CM Goals Met/Issues Addressed Declines To Consent To CM	Nonrheumatic Mitral (Valve) Insufficiency Other Hypertrophic Cardiomyopathy Other Spondylosis With Radiculopathy, Lumbosacral Region	\$120,986 \$6,696 \$105,722	\$2,244 \$108,091 \$3,004	\$123,230 \$114,786 \$108,727
Active		HDHP Buy Up PPO 1000 PPO 1000	Declines To Consent To CM Goals Met/Issues Addressed Goals Met/Issues Addressed Screened. No Issues At Time	Infectious Disease Sepsis, Unspecified Organism Spondylosis, Lumbar Region Secondary Malignant Neoplasm Of Bone	\$70,744 \$26,482 \$97,925 \$40,166	\$36,751 \$76,257 \$35 \$56,841	\$107,496 \$102,739 \$97,960 \$95,925
Active		HDHP Buy Up PPO 1000 PPO 1000 PPO 1000	Declines To Consent To CM Goals Met/Issues Addressed Goals Met/Issues Addressed Member Declined Engagement	Non-St Elevation (NSTEMI) Myocardial Infarction	\$89,357		
Active		HDHP Buy Up PPO 1000	Goals Met/Issues Addressed Goals Met/Issues Addressed	Multiple Sclerosis Malignant Neoplasm Of Central Portion Of Right Female Breast	\$91,882 \$87,988	\$3,367 \$16	\$95,029 \$85,004
Active		HDHP Buy Up	No Mbr Response	Malignant Neoplasm Of Upper-Inner Quadrant Of Right Female Breas	\$83,385	\$252	\$83,637
Termed	1/1/2019	HDHP Buy Up	Expired Before Needs Evaluated	Interstitial Pulmonary Disease, Unspecified	\$80,110	\$1,634	\$81,744
Active		HDHP Buy Up	No Mbr Response No Mbr Response	Perforation Of Intestine (Nontraumatic), Type 2 Diabetes Mellitus With Other Specified Complication	\$80,005 \$57,664	\$239 \$11,430	\$80,244 \$69,095
Termed	12/1/2018	HDHP Base PPO 1000	No Mbr Response No Mbr Response	Immune Thrombocytopenic Purpura Melanocytic Nevus Of Right Upper Limb, Including Shoulder	\$68,512 \$2,213	\$16 \$56,918	\$68,528 \$59,131
Active		HDHP Base PPO 1000	Education	Non-St Elevation (NSTEMI) Myocardial Infarction	\$55,367	\$3,648	\$59,014
Termed Active	3/1/2019	HDHP Buy Up PPO 1000	Education Member Declined Engagement	Malignant Neoplasm Of Thyroid Gland	\$52,227	\$3,158	\$55,385
Active		PPO 1000 PPO 1000	Education	Anxiety Disorder, Unspecified Other Hammer Toe(s) (Acquired), Unspecified Foot	\$7,611 \$13,098	\$46,820 \$40,879	\$54,431 \$53,977

**SCOTTSDALE UNIFIED SCHOOL DISTRICT**  
**High Cost Claimants Overview**  
**Paid through March 2019**



Begin forwarded message:

**From:** Pam Kirby <[pam.kirby@hotmail.com](mailto:pam.kirby@hotmail.com)>

**Subject: Financial Policy**

**Date:** April 23, 2019 at 7:28:45 PM MST

**To:** Allyson Beckham <[abeckham@susd.org](mailto:abeckham@susd.org)>, Sandy Kravetz <[skravetz@susd.org](mailto:skravetz@susd.org)>

## **FINANCIAL POLICIES**

### **OPERATING BUDGET POLICIES**

1. Ongoing operating expenditures will be supported by ongoing, stable revenue sources.
2. Revenues will not be dedicated for specific purposes unless required by law or generally accepted accounting practices (GAAP). All non-restricted revenues will be deposited in the General Fund and appropriated by the budget process.
3. The Town shall not rely on a local property tax to pay for its expenditures.
4. The Town's compensation policy shall provide for regular review with respect to employment market adjustment, and provision of merit based salary adjustments.
5. Operating expenses will not be funded by debt issuance.
6. Cost recovery fees, where appropriate, may be established to offset the cost of providing specific services, and will be reviewed at least on an annual basis.
7. All non-enterprise user fees and charges will be examined annually to determine the direct and indirect cost of service recovery rate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the Town Council.
8. Enterprise fund rate structures will be reviewed annually to ensure they are adequate for the funds to remain separately self-supporting, including the costs of operation, capital outlay, debt service, depreciation, and interdepartmental charges for services where practical and appropriate.
9. The Town shall prudently maximize its investment income, generally to be used for expenditures not subject to the State imposed expenditure limitation.
10. Shifts in appropriations within fund and department totals not exceeding \$50,000 may be done administratively on the authority of the Town Manager by transferring budgeted funds from one department to another department to avoid contingency fund expenditure. Procedures for appropriations transfers and delegation of budget responsibility will be set by the Town Manager.
11. Shifts within department appropriations between personnel expenditures, expenses, capital leases, and photo radar expenditures may be done administratively on the written authority of the Town Manager.
12. Electronic funds transfer may be used to pay payroll expenditures and employee benefits previously authorized by Council or required by law.

### **CAPITAL BUDGET POLICIES**

1. A seven-year capital improvement plan shall be prepared and updated each year.

2. The seven-year capital improvement plan will be developed within the constraints of the Town's ability to finance improvements. Therefore, the CIP shall differentiate between those projects which will be financed from designated, recurring revenues and those which will be financed from the future capital project fund.
3. Operating costs to maintain capital improvements and additional resource needs will be estimated and identified as part of the capital project review process.
4. The Town Council shall designate revenue sources for financing recurring capital improvement projects such as street resurfacing. These revenue sources will be available to finance such projects on an ongoing basis.
5. A separate capital project fund shall be created. All funds accumulated in this fund shall be used exclusively for capital projects, but only after specific authorization by the Town Council.
6. Project appropriations and amendments shall be consistent with the capital improvement plan and must be approved by the Town Council.

#### **CONTINGENCY AND RESERVE POLICIES**

1. The General Fund adopted budget shall contain two contingency appropriations. This amount shall be included in the Town's annual reserve requirements. It shall be an amount of no less than 1% of the adopted budget total, but no more than 3% of the adopted budget total. The operating contingency account shall be funded from current revenues, just as any other planned operating expenses. The second shall be an account for emergencies which is funded by reserves and be an amount at least equal to 15% of the adopted budget total. Contingency appropriations supported by current revenues which are less than \$25,000 do not require Town Council approval. All uses of contingency appropriations not supported by current revenues must be specifically approved by the Town Council, either by motion or resolution.
2. A reserve equal to at least 90%, but not more than 110%, of the annual general governmental (General and HURF funds) operating expenditures will be maintained for unforeseen emergencies, such as significant loss of revenues or catastrophic impacts on the Town. Any amount budgeted for emergency contingencies shall be included in the calculation of reserves.
3. At the end of any fiscal year, any positive variance achieved by the general and HURF funds shall first be used to maintain a reserve of 110%. Should the positive variances realized exceed the amount needed to maintain the 110% level, the difference shall be transferred to the future capital project fund.
4. The adopted Capital Improvement Budget shall include a contingency appropriation equal to at least 10% of the budgeted amount.
5. The capital project fund shall maintain a reserve of at least \$1.0 million.
6. All fund designations and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the Town's five-year financial plan.

## **DEBT SERVICE POLICIES**

1. Long-term debt shall not exceed the Town's resources for repaying the debt.
2. Capital lease purchasing shall generally be used for financing capital equipment and land purchases and building improvements to remove the expenditures from the State imposed expenditure limitation.
3. Bond issuance shall be limited to capital improvement projects too large to be financed from current revenues, or too large to be included in the State imposed expenditure limitation.
4. Long-term debt payment schedules shall not exceed the expected useful life of the project.

## **FINANCIAL REPORTING POLICIES**

1. The Town's accounting and financial reporting systems will be maintained in conformance with all state and federal laws, generally accepted accounting principles (GAAP) and standards of Government Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).
2. A budgetary control system will be maintained to ensure compliance with the budget. Monthly reports will be distributed to the Town Manager and Departments for management of the budget. Quarterly reports will be prepared for Council for review.
3. Financial systems will maintain internal controls to monitor revenues, expenditures, and program performance on an ongoing basis.
4. An annual audit will be performed by an independent public accounting firm, with an audit opinion to be included with the Town's published Comprehensive Annual Financial Report (CAFR).
5. The Town's CAFR will be submitted to the GFOA Certification of Achievement for Excellence in Financial Reporting Program. The financial report should be in conformity with GAAP, demonstrate compliance with finance related legal and contractual provisions, disclose thoroughness and detail sufficiency, and minimize ambiguities and potentials for misleading inference.
6. Effective July 1, 2012 and thereafter, the Town's budget will be submitted to the GFOA Distinguished Budget Presentation Program. The budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units and as a communications device for all significant budgetary issues, trends and resource choices.

## GLOSSARY OF TERMS

**Actual vs. Budgeted:** Difference between what was projected (budgeted) in revenues or expenditures at the beginning of the fiscal year and the actual receipts or expenses which are incurred by the end of the fiscal year.

**Adoption:** Formal action by the Town Council which sets the spending limits for the fiscal year.

**Appropriation:** An authorization made by the Town Council which permits the town to incur obligations to make expenditures for specific purposes.

**Asset:** A resource owned or held by a government which has monetary value.

**Bond:** A written promise to pay a sum of money on a specific date at a specified interest rate. Bonds are primarily used to finance capital projects.

**Budget:** A financial plan for a specified period of time that matches planned revenues and expenditures to municipal services. Town of Paradise Valley prepares a budget each fiscal year.

**Budgetary Control:** The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.

**Capital Budget:** The capital budget consists of the Five Year Capital Improvement Program and the capital outlay needs for the current fiscal year.

**Capital Improvement Program:** The Capital Improvement Program is a comprehensive five year plan of capital projects which identifies priorities as to need, method of financing, and project cost and revenues. The program is a guide for identifying current and future fiscal year requirements and becomes the basis for determining the annual capital budget.

**Capital Projects Fund:** Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

**Contingency:** A budgetary reserve set aside for emergency or unanticipated expenditures.

**Debt Service:** The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

**Debt Service Fund:** A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Deficit:** An excess of expenditures over revenues.

**Department:** The basic organizational unit of government which is functionally unique in its delivery of services.

**Employee (or Fringe) Benefits:** Contributions made by a government to meet commitments or obligations for employee benefits. Included are the government's share of costs for Social Security and the various pension and insurance plans.

**Encumbrance:** The legal commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

**Enterprise Funds:** Enterprise Funds are used to account for operations including debt service (a) that are financed and operated in a manner similar to private businesses - where the intent of the government body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis is financed or recovered primarily through user charges; or (b) where the governing body has determined that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes.

**Estimated Revenue:** The amount of projected revenue to be collected during the fiscal year.

**Expenditure Limitation:** The Arizona State Legislature imposed constitutional amendment which limits the annual expenditures of all municipalities. The limit is set by the Economic Estimates Commission based on population growth and inflation.

**Expenditure/Expense:** The outflow of funds paid for an asset obtained or goods and services acquired.

**Fiscal Policy:** A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

**Fiscal Year:** A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. Town of Paradise Valley has specified July 1 through June 30 as its fiscal year.

**Fixed Assets:** Assets of long-term character that are intended to continue to be held or used, such as land, building, machinery, furniture, and other equipment.

**Franchise Fee:** A fee (or tax) on utility companies such as gas and electric companies for their use of town rights-of-way, based on a percentage of their gross receipts.

**Fund:** A set of inter-related accounts to record revenues and expenditures associated with a specific purpose. Fund structure consists of Governmental Funds (General, Special Revenue, Capital and Debt Service Funds), Fiduciary (Trust) Funds, and Proprietary (Enterprise) Funds.

**Fund Balance:** The difference between revenues and expenditures. The beginning fund balance represents the residual funds brought forward from the previous year (ending balance).

**General Fund:** The General Fund is the general operating fund of the town. It is used to account for all activities of the town not accounted for in some other fund.

**Governmental Revenue:** The revenues of a government other than those derived from and retained in an Enterprise Fund.

**General Obligation Bond:** This type of bond is backed by the full faith, credit and taxing power of the municipality. Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from secondary property taxes, and these bonds are backed by the "full faith and credit" of the issuing government.

**Generally Accepted Accounting Principles (GAAP):** GAAP are the uniform minimum standards and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time. They include both broad guidelines of general application and detailed practices and procedures. GAAP provide a standard by which to measure financial presentations.

**Grant:** A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

**Highway User Revenue Fund:** The Special Revenue Fund that accounts for transportation related revenue and expenditures associated to the construction or maintenance of town streets. This revenue source consists of state taxes collected on gasoline and a number of other additional transportation related fees. These funds must be used for street and highway purposes.

**Infrastructure:** The physical assets of a government (e.g., streets, water, sewer, public buildings, and parks).

**Lease-Purchase Agreement:** A contractual agreement by which capital outlay may be purchased by making annual lease payments.

***Line-Item Budget:*** A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

***Local Transportation Assistance Fund:*** An intergovernmental state shared revenue generated by the state lottery. Distribution of these funds is based on population.

***Long-Term Debt:*** Debt with a maturity of more than one year after the date of issuance.

***Maturity Date:*** The date by which long-term debt will be paid off.

***Municipal Property Corporation:*** A non-profit corporation with the main purpose of providing a financing alternative by issuing bonds to fund the cost of acquiring, constructing, reconstructing, and improving various municipal properties and buildings suitable for use by and for leasing to the town. MPC bonds do not require voter approval and are not considered debt to the municipality.

***Special Revenue Fund:*** Special Revenue Funds are set up as accounts for monies legally restricted to expenditures for specific purposes. Special Revenue Funds include the Highway User Fund, the Donations Fund, and various grant funds.

Begin forwarded message:

**From:** Kim Hartmann <[kimh@kchsolutions.net](mailto:kimh@kchsolutions.net)>  
**Subject:** Enrollment Info  
**Date:** April 30, 2019 at 10:57:04 AM MST  
**To:** Sandy Kravetz <[skravetz@susd.org](mailto:skravetz@susd.org)>

Hi Sandy,

I didn't see you at the Charro event on Friday. I brought a copy of this for you. This is the Applied Economics with the Actual Enrollment to K-8 Population (E2P) calculations I mentioned.

For example, you will see at the time, Yavapai is capturing only 454 students of the total 1198 or 38% of the students in their boundaries. The 20-50% I believe represents the range AE estimated. The 38% falls within that range. Looking at this data from the opportunity direction, Yavapai has a potential of capturing an additional 744 students.

In total as a District, this study indicated SUSD schools are only capturing 8,449 of 20,581 of 41% of our total population of kids. We can view this as a problem or an opportunity. I lean towards the opportunity side since each of the 8,449 kids we are not capturing is ADM going elsewhere.

Feel free to share this or call with any questions.

Kim Hartmann  
CEO | KCH Solutions LLC

602.448.4898  
[KimH@KCHSolutions.net](mailto:KimH@KCHSolutions.net)  
[www.KCHSolutions.net](http://www.KCHSolutions.net)



STRATEGIC  
PLANNING



K C H  
S O L U T I O N S



Nonprofit Lifecycles Institute  
[www.nonprofitlifecycles.com](http://www.nonprofitlifecycles.com)

The following table summarizes the 2018 Applied Economics Report Information, AZMerit results and 40th Day actual ADM. The purpose of this document is to understand SUSD's K-5/8 Current State Enrollment, Current State Enrollment as a percentage of actual population (E2P) and ten year projected Future State Enrollment based upon current capture rate. With this information each K-5/8 site can determine their own growth strategy understanding their potential capture of currently uncaptured in-boundary students. By comparing the current and future capture rates, the E2P capture potential and the AZMerit scores begins to inform a future product enhancement and/or marketing growth strategy.

# LC/School	Grades	2018*			10 Year Projections			Out-of-District Capture***			Enrollment by Attended Area ***			5th Grade AZMerit			Enrollment Strategy		
		Pre	K-5/8	Total	K-5/8	Change%	Total	Within	Other	Total	Within %	Other %	Within %	Other %	Total	ELA	Math	Projection	Desire
Arcadia	K5	0	750	750	684	-66	-9%	114	15%	498	75	573	87%	13%	50-60%	1086	53%	81%	85%
1 Hopi	K5	48	641	689	581	-60	-9%	308	45%	334	244	578	58%	42%	>80%	685	84%	50%	45%
2 Tavon	K5	17	390	407	324	-66	-17%	171	42%	NA	NA	NA	NA	NA	50-60%	557	NA	52%	52%
3 Echo Canyon	K8																		
Chaparral	K5	109	669	778	826	157	23%	197	25%	343	37	380	90%	10%	20-50%	1479	26%	91%	83%
4 Cherokee	K5	25	573	598	637	64	11%	57	10%	345	100	445	78%	22%	70-80%	819	54%	81%	81%
5 Cochise	K5	1	491	492	501	10	2%	182	37%	266	84	350	76%	24%	20-50%	1022	34%	73%	73%
6 Sequoya	K5																		
Coronado	K5	45	449	494	455	10	2%	65	13%	244	175	419	58%	42%	50-60%	736	57%	66%	51%
7 Hohokam	K5	48	433	481	454	21	5%	70	15%	212	208	420	50%	50%	20-50%	1125	37%	71%	71%
8 Pima	K5	24	870	894	753	-117	-13%	119	13%	598	606	1204	50%	50%	70-80%	1509	80%	37%	36%
9 Tonalea	K5	47	286	333	276	-10	-3%	26	8%	227	227	454	50%	50%	20-50%	1198	38%	31%	47%
10 Yavapai	K5																		
DM																			
11 Desert Canyon	K5	37	463	500	451	-32	-7%	49	10%	415	295	708	58%	42%	50-60%	2459	29%	86%	87%
12 Redfield	K5	19	474	493	493	19	4%	43	9%	359	552	912	39%	61%	20-50%	1676	54%	77%	71%
13 Cheyenne	K8	25	930	955	825	-105	-11%	111	12%	NA	NA	NA	NA	NA	>80%	748	NA	87%	91%
14 Anasazi	K5	25	378	403	381	3	1%	98	24%	239	218	457	52%	48%	50-60%	1291	35%	85%	86%
15 Laguna	K5	90	395	485	426	31	8%	29	6%	284	164	448	63%	37%	70-80%	1675	27%	79%	81%
Saguaro																			
16 Kiva	K8	31	477	503	436	-41	-9%	70	14%	188	235	423	44%	66%	20-50%	729	58%	75%	73%
17 Navajo	K5	41	303	344	272	-31	-10%	43	13%	220	459	679	32%	68%	70-80%	1043	65%	42%	52%
18 Pueblo	K5	85	479	564	442	-37	-6%	72	13%	NA	NA	NA	NA	NA	>80%	744	NA	85%	68%
<b>Total</b>		<b>717</b>	<b>9451</b>	<b>10168</b>	<b>9201</b>	<b>-250</b>	<b>-3%</b>	<b>1824</b>	<b>18%</b>	<b>4770</b>	<b>3679</b>	<b>8419</b>	<b>56%</b>	<b>44%</b>		<b>20581</b>	<b>41%</b>		

\* October 5, 2018 (Day 40) actual numbers as a % of total K-5/8 Census Tract information. (Allocation between schools should be reconfirmed by AE)

\*\* Per Applied Economics Enrolled K-5/8 students as a % of total K-5/8 Census Tract information.

\*\*\* Per Applied Economics Table 18

Rebuild considerations

41 Navajo students ~ Yavapai/PreK @24 and Hohokam/Panhandle @ 17

**From:** Pam Kirby <[pam.kirby@hotmail.com](mailto:pam.kirby@hotmail.com)>  
**Subject:** Fwd: Cash Controlled Funds  
**Date:** January 17, 2019 at 5:14:48 PM MST  
**To:** Allyson Beckham <[allysonmadrid@yahoo.com](mailto:allysonmadrid@yahoo.com)>, "sekravetz@gmail.com"  
<[sekravetz@gmail.com](mailto:sekravetz@gmail.com)>

Sent from my iPhone

Begin forwarded message:

**From:** John Kriekard <[jkriekard@susd.org](mailto:jkriekard@susd.org)>  
**Date:** January 17, 2019 at 5:08:26 PM MST  
**To:** Pam Kirby <[pam.kirby@hotmail.com](mailto:pam.kirby@hotmail.com)>  
**Cc:** Jeffrey Gadd <[jgadd@susd.org](mailto:jgadd@susd.org)>  
**Subject:** RE: Cash Controlled Funds

Property/casualty and workmens comp is not broken out. That account can be used for either type of claim not to exceed \$16m.

The other questions I understand, but want to be clear on what is written, so I will have Jeff Gadd respond to these next week. Sorry.



**Dr. John Kriekard**  
Acting Superintendent  
Scottsdale Unified School District  
Mohave District Annex  
8500 E. Jackrabbit Rd., Scottsdale, AZ 85250  
Office 480.484.6120  
Cell 602.717.4712

**From:** Pam Kirby <pam.kirby@hotmail.com>  
**Sent:** Thursday, January 17, 2019 4:58 PM  
**To:** John Kriekard <jkriekard@susd.org>  
**Cc:** Jeffrey Gadd <jgadd@susd.org>  
**Subject:** Re: Cash Controlled Funds

Dr. Kriekard,

Thanks for the email. I understand that the "Self Insurance" account is \$16 million and is property casualty and/or workman's comp. Can you break that out? Also, do we have any maximum caps on SUSD's liability for a single event? Are there caps on SUSD's liability for a single year?

For example, I remember Dr. Virgil stating that on medical, we are capped on how much we pay out for a catastrophic illness.

Medical is \$24 million if "the rest of the \$40 is medical". Please advise if this is sitting in a district cash controlled account or in a trust with Kairos or somewhere else all together.

Thanks,  
Pam

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**From:** John Kriekard <jkriekard@susd.org>  
**Sent:** Thursday, January 17, 2019 4:51 PM  
**To:** Pam Kirby  
**Cc:** Jeffrey Gadd  
**Subject:** RE: Cash Controlled Funds

The \$16m is property/casualty and/or workmans comp. The rest of the \$40m is medical.



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**From:** Pam Kirby <[Pam.Kirby@hotmail.com](mailto:Pam.Kirby@hotmail.com)>

**Sent:** Thursday, January 17, 2019 1:56 PM

**To:** John Kriekard <[jkriekard@susd.org](mailto:jkriekard@susd.org)>

**Subject:** Cash Controlled Funds

Dr. Kriekard,

I have a question regarding the "Self-Insurance" fund on the AFR. Can you describe how the \$16million in this fund at the end of FY18 is broken out? Is this worker's comp, property and medical? Is this a cash controlled fund?

Thank you,

Pam

Begin forwarded message:

**From:** Allyson Beckham <[abeckham@susd.org](mailto:abeckham@susd.org)>  
**Subject:** Fw: The Trust  
**Date:** June 5, 2019 at 9:35:40 AM MST  
**To:** Sandy Kravetz <[skravetz@susd.org](mailto:skravetz@susd.org)>

I just realized you weren't on this email. I left Dr. Kriekard a voice message a few minutes ago. I do not feel Mr. Gadd has answered my questions below. I asked Dr. Kriekard to help with the communication between myself and Mr. Gadd.

The easiest one to explain is the request for all the bank, investment statements. We have only received a thumb drive with one account statement up till 12/2018. If and when you get any other statements please let me know.

Allyson

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**From:** John Kriekard  
**Sent:** Thursday, May 30, 2019 5:24 PM  
**To:** Allyson Beckham  
**Subject:** FW: The Trust

Allyson,  
I received this from Jeff on May 13. Did I not send it on to you? If I didn't I apologize. Let me know if these answers are not sufficient.  
John

<image009.png>

<image010.png>

**Dr. John Kriekard**  
**Superintendent**  
**Scottsdale Unified School District**  
**Mohave District Annex**  
8500 E. Jackrabbit Rd., Scottsdale, AZ 85250  
Office 480.484.6120  
Cell 602.717.4712



<image003.png>

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<image007.png>

<image008.png>

**From:** Jeffrey Gadd <[jgadd@susd.org](mailto:jgadd@susd.org)>  
**Sent:** Monday, May 13, 2019 4:24 PM  
**To:** John Kriekard <[jkriekard@susd.org](mailto:jkriekard@susd.org)>  
**Subject:** RE: The Trust

*John,*

*Enclosed are the answers to Allyson's questions. - We  
need Trust action to approve next year insurance  
coverage. Please see the answers below in red.*

**From:** Allyson Beckham <[abeckham@susd.org](mailto:abeckham@susd.org)>  
**Sent:** Monday, May 13, 2019 9:05 AM  
**To:** John Kriekard <[jkriekard@susd.org](mailto:jkriekard@susd.org)>  
**Cc:** Michelle Marshall <[mmarshall@susd.org](mailto:mmarshall@susd.org)>; Sandy Kravetz <[skravetz@susd.org](mailto:skravetz@susd.org)>  
**Subject:** The Trust

Dear Dr. Kriekard,

Thank you for providing time to meet before the GB meeting on Tuesday regarding the Self-Insurance Trust. I was hoping to meet on Friday or Monday before the Agenda notice was posted to the public.

I request the the Self-Insurance Trust be pulled for further discussion and clarification and not be posted to the Agenda as an Action item at this time.

Sandy Kravetz, who is a Trustee on the Self-Insurance Board, and I have been asking questions since February and had a meeting with Jeff Gadd two weeks ago on May 1. During the meeting we learned how much information and data was incomplete from Trust meeting minutes to financial statements. I strongly suggested that all GB members should be aware of this information before Action is taken in a board meeting. Mr. Gadd said that was your decision and I needed to talk with you. Since, you were unavailable the last several weeks this is the first time I will be able to talk with you. I am assuming Mr. Gadd has discussed my concerns and issues.

We provided the minutes from the Trustee Meeting from 2016 and 2017 on Friday May 10<sup>th</sup>.

Below is an example of what I have been requesting and would like to have before the district moves forward with revising the Trust. I believe all the GB members would be interested in this information before making a decision. I know Sandy Kravetz has had a difficult time getting information she has requested, some of which is included in this list.

1. Complete and accurate financial statements of the existing Trust. FY17 audited Financial Statements have been provided FY 18 audit is underway.
2. Complete and accurate understanding of the investment accounts including accurate return on the investments the past five years. (A summary was shared with Sandy and I on May 1 by the Wells Fargo advisor. Additional information was requested and should be shared with other board members.) Tom from Wells Fargo provided a wealth of information when we met on May 1<sup>st</sup> with Allyson and Sandy.
3. An actuarial account on the dollar amount that should be held in the Trust for the three different insurance programs to adequately cover costs and potential liability. (Mr. Gadd has provided some of this information.) We prorated account balances according to annual premium obligations. In other words, we matched revenue to need. We provided this information on several occasions.
4. An accurate account of the funds available from these three programs that aren't needed for expenses and potential liability and could be used for students services and programs that can be spent right now or that could be used for one-time operating expenses? (Mr. Gadd summary provides a number yet, the discussion has not taken place as to the best use of these dollars. )A 5 year projection was provided at the Board meeting on April 16<sup>th</sup>.
5. A complete understanding of the medical self-insurance program and business arrangement with Kairos and Ashton Tiffany, including available reports generated by Ashton Tiffany. (A broad explanation has been given but the data and reports have not been shared.) Allyson received an email explaining that Ashton Tiffany is a contractor hired by Kairos Trust to administer the medical program. We have attached the most recent report on medical from Aston Tiffany.

Regarding the actual Trust document: I believe the document itself is near completion pending the above information which might or might not change components of the document.

Thank you,

Allyson Beckham